



A User's Guide for the Uniform Bank Performance Report

June 1997



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Copies of the manual may be obtained from:

Federal Financial Institutions Examination Council
(see order form at Appendix B)

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Introduction

The Uniform Bank Performance Report (UBPR) is an analytical tool created for bank supervisory, examination, and bank management purposes. In a concise format, it shows the impact of management decisions and economic conditions on a bank's performance and balance-sheet composition. The performance and composition data contained in the report can be used as an aid in evaluating the adequacy of earnings, liquidity, capital, asset and liability management, and growth management. Bankers and examiners alike can use this report to further their understanding of a bank's financial condition and through such understanding perform their duties more effectively.

A UBPR is produced for each commercial bank in the United States that is supervised by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, or the Office of the Comptroller of

the Currency. UBPRs are produced for FDIC insured savings banks also. The report is computer-generated from a data base derived from public and nonpublic sources. It contains several years' worth of data, which are updated quarterly. Those data are presented in the form of ratios, percentages, and dollar amounts computed mainly from Reports of Condition and Income submitted by the bank. Each UBPR also contains corresponding average data for the bank's peer group and percentile rankings for most ratios. The UBPR therefore permits evaluation of a bank's current condition, trends in its financial performance, and comparisons with the performance of its peer group.

In addition to the individual bank report, the following is also available:

- A Peer Group report, which presents all peer averages
- A State Average Report, which presents ratio averages within States
- A Distribution report is also produced using the peer groupings in the state average and peer group average reports. Selected percentile values are displayed for individual ratios to provide additional insight into the range of bank performance that comprises an average.
- UBPR data tapes, which present all types of UBPR data in bulk format on magnetic tape.

This user's guide contains basic guidelines for using the UBPR, including a suggested method of analyzing the report, technical information, and ratio definitions. Questions relating to details in this guide may be addressed to the Coordinator for Uniform Performance Reports, Federal Financial Institutions Examination Council, Washington, DC. See the Title Page for the complete address.

Summary of Changes to the March 31, 1997 UBPR

Grouped by page and section are listed items added to the March 31, 1997 UBPR and the items that will no longer appear. Please refer to the page layouts in section III of the Users Guide for further details.

Page 2—Income Statement

Added:

The following footnote appears if the bank indicates on the call report that it has elected Subchapter S treatment. Note: Banks has Elected Subchapter S Treatment For Taxes

Revised:

Interest on Time DEP over \$100M

From March 31, 1997 forward, time deposit open accounts are included in calculation.

Interest on All Other Deposits

From March 31, 1997 forward, time deposit open accounts are no longer included in calculation.

Page 3—Noninterest Income and Expenses and Yields

(Changes also apply to comparable items on page 12)

Deleted:

Noninterest Income & Exprnses: O/H & Interest on Mortg & Leases

Percent of Assets: O/H & Interest on Mortg & Leases

Revised:

Cost of Other Time Deposits

From March 31, 1997 forward, time

deposit open accounts are no longer included in calculation.

Cost of Time Deps over \$100M

From March 31, 1997 forward, time deposit open accounts are included in calculation.

Cost of All Interest Bearing Deposits

For all periods now includes interest expense on mortgages and capitalized leases.

Page 7—Analysis of Loan & Lease Loss and Loan Mix

Deleted:

Memorandum (% of Avg Tot Loans) Commercial Paper in Loans

Page 10—Liquidity and Investment Portfolio

Deleted:

Available For Sale: Investments in Mutual Funds

Added:

Available For Sale: Inv Mut F. & Oth Mktbl

Includes investments in mutual funds and other marketable equity securities for all quarters.

Revised:

Short Term Investments

From March 31, 1997 forward commercial paper is no longer included.

Short Term Assets

From March 31, 1997 forward commercial paper is no longer deducted.

Long Term Assets

From March 31, 1997 commercial paper is no longer deducted.

Other Equity Securities

For all quarters includes other equity securities

Page 11a—Risk Based Capital Analysis

Deleted:

Footnote: Tier one capital after 12/31/93 excludes FASB 115 net unrealized holding gain/loss on available-for-sale securities.

Added:

Footnote for banks that report trading account assets. Note: Bank reports trading account assets and may have adopted market risk valuation which is not reflected in risk weighted assets.

Revised:

Tier Two Capital: Allowable Ln & Ls Loss Allowance

From March 31, 1997 forward for banks filing FFIEC 031, 032 and 033 based on the Balance end of Current Period from RI-B.II. For banks filing FFIEC 034 and for all banks for prior quarters based on Schedule RC Allowance for Loan and Lease Losses.

One-Balance Sheet Category Four-100%

For banks filing RC-R items 4 through 9 the estimate of unrealized loss on marketable equity securities is not deducted from March 31, 1997 forward.

***Off-Balance Sheet Category
Three-50%***

From March 31, 1997 forward includes from RC-L, Outstanding principal balance of first lien 1 to 4 family residential mortgage loans.

***Off-Balance Sheet Category
Four-100%***

From March 31, 1997 forward includes from RC-L, Outstanding principal balance of other financial assets.

***Adjustment to Risk Weighted
Assets-Excess Allowable Ln & Ls Al***

From March 31, 1997 forward for banks filing FFIEC 031, 032 and 033 based on the Balance End of Current Period from RI-B.II. For banks filing FFIEC 034 and for all banks for prior quarters based on Schedule RC Allowance for Loan and Lease Losses.

Summary of Changes to the June 30, 1997 UBPR

Grouped by page and section are listed items added to the June 30, 1997 UBPR and the items that will no longer appear. Please refer to the page layouts in Section III of the User's Guide for further details.

Page 5

Added:

Credit Derivs Bank as Guarantor

Credit Derivatives on which the bank is guarantor, available from June 30, 1997 forward.

Credit Derivs Bank as Beneficiary

Credit Derivatives on which the bank is beneficiary, available from June 30, 1997 forward.

Page 9

Deleted:

Entire page 9 titled ***Maturity and Repricing Distribution (Commercial Banks) and Analysis of Repricing Opportunities (Savings Banks)***.

Added:

New page 9 for all banks titled ***Interest Rate Risk Analysis % Assets***. All ratios are a percent of end-of-period total assets unless otherwise mentioned. Data is available from June 30, 1997 forward.

Mortgage loans & Pass Thrus

Sum of all repricings for mortgage pass-through securities backed by closed-end first lien residential mortgages and closed end loans secured by liens on 1-4 family residential properties.

Loans and Securities Over 15 Years

Sum of repricings over 15 years for above.

Loans and Securities 5-15 Years

Sum of repricings from 5 to 15 years for above.

Other Loans and Securities

Sum of all repricings for securities issued by U.S. Treasury, agencies, state and political subdivisions and all loans and leases other than closed-end loans secured by first liens on 1-4 family residential properties.

Loans and Securities Over 15 Years

Sum of repricings over 15 years for above.

Loans and Securities 5-15 Years

Sum of repricings from 5 to 15 years for above.

Total Loans and Securities Over 15

Sum of repricings over 15 years for Mortgage Loans and Pass Throughs and Other Loans and Securities.

CMO's Total

Sum of all repricings for other mortgage backed securities (including CMO's, REMIC's and stripped MBS).

Avg Life Over 3 Years

Repricings over three years for above.

Structured Notes

Structured notes (included in held-to-maturity and available-for-sale accounts).

High Risk Securities

High risk mortgage securities (included in held-to-maturity and available-for-sale accounts).

OBS Exposed to Rising Rates

Interest rate swaps where bank is paying a fixed rate.

Mortgage Servicing

Fair value of mortgage servicing assets.

Total

Sum of structured notes, high risk securities, OBS exposed to rising rates and mortgage servicing.

Available For Sale

Fair value of available-for-sale securities.

Held To Maturity

Amortized cost of held-to-maturity securities.

Off Balance Sheet

Total of all off-balance sheet accounts.

Unrealized Appn/Depn

Unrealized appreciation/depreciation on held-to-maturity securities.

Unrealized App/Dep % Tier One Capital

Unrealized appreciation/depreciation on held-to-maturity securities divided by tier one capital.

Loans/Securities Over 3 Years

Sum of repricings over 3 years for mortgage loans and pass-throughs, other loans and securities and CMO's.

Liabilities Over 3 Years

Sum of repricings over 3 years for other borrowed money, time deposits less than \$100,000 and time deposits of \$100,000 or greater.

Net 3 Year Position

Loans/Securities over 3 years less liabilities over 3 years.

Loans/Securities Over 1 Year

Sum of repricings over 1 year for mortgage loans and pass throughs, other loans and securities and all CMO's.

Liabilities Over 1 Year

Sum of repricings over 1 year for other borrowed money, time deposits less than \$100,000 and time deposits of \$100,000 or greater.

Net Over 1 Year Position

Loans/Securities over 1 year less liabilities over 1 year.

Non-Maturity Deposits

Demand deposits, NOW and ATS accounts, money market accounts and all other savings.

Non-Maturity Deposits by Long Assets

Non-maturity deposits divided by repricings over 3 years for loans and securities.

Net Over 3 Year Position

Repricings over 3 years for loans and securities less non-maturity deposits.

Structured Notes

Structured notes (included in held-to-maturity and available-for-sale accounts) divided by tier one capital.

High Risk Securities

High risk mortgage securities (included in held-to-maturity and available-for-sale accounts) divided by tier one capital.

OBS Exposed to Rising Rates

Interest rate swaps where bank is paying a fixed rate. divided by tier one capital.

Mortgage Servicing

Fair value of mortgage servicing assets divided by tier one capital.

Total

Sum of structured notes, high risk securities, OBS exposed to rising rates and mortgage servicing divided by tier one capital.

Page 11-a

Revised:

Minus-Ineligible Intangibles

From June 30, 1997 forward mortgage servicing rights are included in calculation at the lesser of book value or 90% or fair market value.

Page 12

Revised the page titled ***Last-Four-Quarters Income Analysis***. The revised page will now be titled ***One Quarter Annualized Income Analysis***.

The page layout and individual item descriptions will remain unchanged i.e., Net Income will remain Net Income. However, Net Income for one quarter will now be annualized then divided by average assets for one quarter. Five consecutive periods of information will be provided.

The underlying calculation for all ratios on page 12 has been changed to present income or expense ratios for one quarter on an annualized basis. The resulting analysis differs from the year-to-date presentation in the remainder of the UBPR. The following rules apply to income, expense, asset and liability balances in ***One Quarter Annualized Income Analysis***:

For the second, third and fourth quarters the current income/expense item is subtracted from the prior quarter item then multiplied by 4.

For the first quarter, no subtraction is done, but the income/expense item is multiplied by 4.

For the second, third and fourth quarters when push-down accounting is indicated for the first time that year, no subtraction is performed. The reported value is multiplied by 4.

The appropriate asset or liability, i.e. loans will generally come from schedule RC-K averages for the current quarter. In the few instances where banks do not report sufficient detail on RC-K, end-of-period balances are used.